

Farco, Joseph A.

From: Safer, Jay G.
Sent: Friday, February 17, 2012 4:40 PM
To: Farco, Joseph A.
Subject: FW: Absecon Status

FYI
Jay G. Safer, Esq.
Locke Lord LLP
3 World Financial Center , 20th Floor
New York, New York 10281-2101
212.812.8305 Direct
212.812.8365 Fax
914.714.0445 (cell)
jsafer@lockelord.com
www.lockelord.com

Atlanta, Austin, Chicago, Dallas, Hong Kong, Houston, London, Los Angeles, New Orleans, New York, Sacramento, San Francisco, Washington DC

From: Gaily Von Schlichting [<mailto:gvons@absecon.com>]
Sent: Friday, February 17, 2012 4:39 PM
To: MacKiewicz, James Mr CIV USA AMC; Shifler, David CIV ONR 332
Cc: Britton, Curtis Mr CIV USA AMC; Randolph Taylor; colonelvarian@absecon.com; chmiller@absecon.com; cwilliams@absecon.com
Subject: RE: Absecon Status

Dear Jim and Dr. Shifler,

Thanks for the email. I can immediately clear a few things up for you, but I will also keep you posted on what develops with this situation.

This is, indeed, an internal issue between Dan and Absecon. Dan is not an official subcontractor. He was listed as Principal Investigator on this contract. Absecon has bought the machine under an installed payment agreement (we are still making payments). This agreement is with the machine manufacturer. The equipment is here at Absecon, in a separate building that we prepared for the machine and, specifically, for this project. Dan did not buy the machine, nor did he contribute anything financially to the machine purchase. The \$500K which he says we owe him (which is the matter in contention, as we calculate it to be under \$300K) is inaccurate and, more importantly, not part of this contract. It is part of a wholly separate licensing agreement between Daniel Preston and Absecon, separate from our contract with ONR.

If I can answer any other questions for you, please let me know. We are continuing to work on the contract and are waiting for the approval on Jim's suggested test matrix from Dr. Shifler.

Kind regards,

Gaily

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Gaily Von Schlichting
Director of Communications
Absecon Mills, Inc.
PO Box 672
Cologne NJ 08213

609.965.5373

On 2/17/12 9:18 AM, "MacKiewicz, James Mr CIV USA AMC" <James.Mackiewicz@us.army.mil> wrote:

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Caveats: FOUO

Randy,

Dan has been in contact with Dr. Shifler and sent him the attached correspondence. To be honest I believe this is an internal issue between Absecon and Dan. A couple of questions though:

1. Is Dan an official sub-contractor.
2. Who bought the weaving equipment Absecon or Dan.
3. Where is the equipment currently located, Absecon?

Dan is stating that Absecon owes him \$500K. Through conversations with Dr. Shifler Dan has implied that he bought the equipment. Im not sure which is correct but as far as Im concerned I don't have a contract with Dan but if Dan indeed bought the equipment and Absecon billed the government we may have an issue.

Thanks, Jim

James Mackiewicz
US Naval Health Research Center
Duty Station Natick NCTR
james.mackiewicz@us.army.mil
(W)508.233-5925 | (FAX:)508.233-4653

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